



THE COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES

DIVISION OF HEALTH CARE FINANCE AND POLICY

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ADMINISTRATIVE BULLETIN 05-05
NURSING FACILITY DIRECT CARE ADD-ON COMPLIANCE

This bulletin establishes due dates for nursing facilities to file SFY 2005 Direct Care Add-on compliance worksheets under 114.2 CMR 6.06(1). It also explains updates to the compliance worksheets and instructions for SFY 2005. The Division is issuing updated paper worksheets and instructions as part of this bulletin.

A. SFY 2005 Compliance Worksheet Filing Instructions and Due Date

Facilities may file compliance forms online through the Division's INET website. Compliance forms will be available starting September 16, 2005 on the Division's website, <http://www.mass.gov/dhcfp>.

The due date for online filing will be **October 19, 2005**.

The due date for paper filing will be **September 30, 2005**.

The Division will apply penalties to late filers in accordance with the provisions of 114.2 CMR 6.00: Standard Payments to Nursing Facilities.

To file electronically, facilities must be enrolled in INET and must register with the Division a specific person(s) who will be responsible for this filing and who will have access to INET for that purpose. Persons who currently file the Nursing Home User Fee via INET will not automatically be able to file the Direct Care Add-on Schedules without contacting the Division. If your facility has not registered for INET, or has not registered a filer for this specific filing, please contact Mr. Tony Sousa at (617) 988-3162 for instructions on how to proceed.

If you have questions regarding the content of the worksheet, please contact the Division at (617) 988-3298.

B. Worksheet Updates for SFY 2005:

New Standard Nursing Cost

The standard nursing cost per minute used to calculate facility compliance during SFY 2005 will be **\$0.4298**.

Base Period Rate Reduction Adjustment

As outlined in Administrative Bulletin 04-06, the Division will increase the facility's base period expense to account for the operating rate reduction that was in place from March 1, 2003 to May 31, 2003. The amount of the adjustment will be \$3.72 times $\frac{3}{5}$ of the facility's base period Medicaid days.

Exclusion of One-Time Bonus Paid per Administrative Bulletin 04-06

In Administrative Bulletin 04-06, the Division allowed facilities who were not in compliance in SFY 2004, who owed a recovery, and who met certain other criteria to come into compliance by paying the amount of the recovery to direct care workers as a one-time bonus. To count towards SFY 2004 compliance, these bonuses must have been paid by November 1, 2004. The amount of these bonuses may not be credited toward compliance in SFY 2005, and the new worksheet excludes these bonuses from SFY 2005 facility expenses.